

1 JUN 1977

FINANCIAL ADMINISTRATION

OFFICE OF FINANCE NOTICE NO. 12-77

SUBJECT: Procedures for Documenting and Recording Contractual Obligations

A. GENERAL

The purpose of this notice is to announce joint Office of Logistics and Office of Finance procedures that are designed to insure adequate and timely documentation of contractual obligations and to provide a proper basis for the reporting and recording of such obligations. These procedures are effective immediately. Responsibilities for carrying out the procedures are stated in paragraph B, below:

B. RESPONSIBILITIES

STATINTL 1. Procurement Division, [redacted] and Contracting Teams Assigned by Office of Logistics (Office of Logistics Procurement Note No. 98) will:

a. Under CONTRACT-ORDER FORM 1444 used for bilateral contracts, forward the validly signed copy 1. ORIGINAL, copy 2. FINANCE and copy 8. REQUISITIONING OFFICE BUDGET COPY to the cognizant Budget and Fiscal Officer. Copy 5. LOG/B&F will be sent to the B&F Officer, Office of Logistics.

b. Under other forms that do not contain prenumbered copies but are used to execute bilateral contracts, e.g., NEGOTIATED CONTRACT - FORM 1398 and BASIC AGREEMENT - FORM 1424, forward the validly signed original and two copies to the cognizant Budget and Fiscal Officer. Forward one copy to the B&F Officer, Office of Logistics.

c. Under ORDER-AWARD FORM 1458 used for unilateral contracts, forward copy 2. FINANCE COPY signed by contracting Officer and copy 8. REQUISITIONING OFFICE BUDGET COPY to the cognizant Budget and Fiscal Officer. Copy 5. LOG/B&F will be sent to the B&F Officer, Office of Logistics.

d. When a bilaterally executed contract exists but will not be available for distribution by the end of a fiscal year, send a written confirmation (see attachment) to the cognizant Budget and Fiscal Officer so that timely recording of the obligation may be achieved.

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e. Forward as specified by subparagraphs a. through c. above, any subsequent contractual issuances, e.g., amendments, work orders, task orders, time extensions, that relate to previously executed contracts.

2. The Cognizant Budget and Fiscal Officer will:

a. Upon receipt of each validly executed contract annotate the information required below on the face of: (1) copies 1, 2, and 8 of Form 1444; (2) the original and two copies of other bilateral contract forms such as Forms 1398 and 1424; (3) copies 2 and 8 of Form 1458 (rubber stamps may be used for this purpose)

Obligation Recorded
ORN (cite number assigned)
Amount (state amount obligated)
Signature (cognizant B&F Officer)

(This annotation applies only to documents that reflect actions that impact on the obligation of funds.)

b. Prepare and forward to the Data Base Management Branch the appropriate form for reporting and recording all obligations that are based on executed contracts received or on written confirmation that a valid contract has been executed.

c. Forward to Audit and Certification Division, Office of Finance (A&CD/OF), 604 Key Building, annotated copies of contracts as follows: (1) copies 1 and 2 of Form 1444; (2) copy of 2 of Form 1458; (3) the original and one copy of other forms used for bilateral contracts. Also forward to A&CD/OF any subsequent contractual issuances in accordance with paragraph B.1.e., above.

d. Retain one copy of the annotated contract to support the amount reported and recorded as an obligation.

THE ABOVE ACTIONS SHOULD BE COMPLETED AS SOON AS POSSIBLE FOLLOWING RECEIPT OF THE DOCUMENTATION TO AVOID POSSIBLE DELAYS IN THE PAYMENT OF INVOICES BY THE AUDIT AND CERTIFICATION DIVISION.

3. Audit and Certification Division, Office of Finance will:

a. Upon receipt of annotated bilateral contracts, immediately forward a copy of the contract to Commercial Systems and Audit Division (CSAD) for recording in CSAD control records. Also forward to CSAD a copy of any subsequent contractual actions issued pursuant to a previously executed contract.


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b. Retain the original of the bilateral contract and any subsequently issued contractual actions related thereto until the contract is closed and officially retired to archives.


c. Upon receipt of annotated unilateral contracts place the contracts in the invoice payment and file system. Retain such contracts and any subsequently issued contractual actions related thereto until completed and officially retired to archives.

4. Commercial Systems and Audit Division, Office of Finance will:

Upon receipt of annotated copies of bilaterally executed contracts and any subsequently issued contractual actions related thereto record the data reflected therein on CSAD contract control records.


Thomas B. Yale
Director of Finance

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James H. McDonald
Director of Logistics

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